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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

DIRECT MARKETING EDUCATION
FOUNDATION, INC.

Plaintiff,

Case No. 07 CV 1464 (LMM)

-against-

JOHN WILEY & SONS, INC.

Defendant.

DECLARATION OF SUE LEWIS IN OPPOSITION TO PLAINTIFF'S
MOTION FOR A PRELIMINARY INJUNCTION

1. I am a Vice President & Publisher at John Wiley & Sons, Inc. ("Wiley"). I am responsible for Professional/Trade Subscription Content which includes subscription content for professionals and practitioners in Business & Management, Leadership, Finance, Behavioral Health, Education, Nonprofit, Information Management, and Environmental Management. I currently manage approximately 42 journals, including the *Journal of Interactive Marketing* (the "Journal"), and have worked in journals publishing for twenty years.

2. I submit this declaration in opposition to plaintiff's motion for a preliminary injunction.

3. A true and correct copy of the agreement dated August 5, 1988 between Direct Marketing Educational Foundation, Inc. ("DMEF") and Wiley (the "Agreement") in connection with publication of the Journal is attached hereto as Exhibit 1.

4. In February 2007, plaintiff provided Wiley with written notice, pursuant to Paragraph 14 of the Agreement, that it did not wish to renew the term of the Agreement upon its expiration on December 31, 2007.

5. The Agreement subsequently expired on December 31, 2007.

6. In the event that DMEF chooses not to renew the Agreement, the Agreement provides for a transition period of one year during which Wiley can continue to publish the Journal using the DMEF Mark as long as Wiley includes a disclaimer on the cover of the Journal that it is no longer the official journal of DMEF. (Ex. 1, ¶16).

7. After this one year transition period, Wiley can continue to publish the Journal under a new title. Wiley, not DMEF, retains ownership of the subscriber list for the Journal as well as all back volumes of the Journal. (Ex. 1, ¶16). Wiley will continue to fulfill existing subscriptions for the Journal with its newly titled journal after the transition year. Wiley is required to continue carrying the disclaimer on the cover of the Journal for one additional year after the transition year.

8. DMEF has entered into an agreement with Elsevier to publish the DMEF's official journal using the DMEF Mark after the transition year.

9. Prior to this Court's issuance of the temporary restraining order dated February 15, 2008, Wiley was scheduled to publish a double issue of the *Journal*, the Winter/Spring 2008 issue at the end of February 2008.

10. The Winter/Spring 2008 issue of the *Journal* is a "Best Of" issue. The issue only includes articles which were vetted and peer reviewed by the Editorial Board selected by DMEF in the past five years.

11. The Winter/Spring 2008 issue is the first issue of the *Journal* to be published by Wiley after expiration of the Contract.

12. A qualified Wiley Journals Editor, David Famiano, who has worked on peer-reviewed journals, such as the *Journal*, for approximately nine years oversaw the article selection. Mr. Famiano performed the article selection under my supervision.

13. Mr. Famiano chose a total of ten articles from issues of the *Journal* which Wiley published in the last five years. The articles were selected based on high usage as measured by Wiley InterScience, Wiley's online distribution platform. All issues of the *Journal* from 1987 to date can be accessed online in their entirety at Wiley InterScience (www.interscience.wiley.com).

14. Wiley InterScience statistics are compliant with the COUNTER Code of Practice for journals and databases. COUNTER (Counting Online Usage of Networked Electronic Resources) is an international initiative serving librarians, publishers and intermediaries by setting standards that facilitate the recording and reporting of online usage statistics in a consistent, credible, and compatible way. Article

selection on a COUNTER-compliant usage basis is the most logical way to preserve the journal's editorial integrity.

15. The ten articles chosen for the Winter/Spring 2008 "Best Of" issue of the Journal using this methodology were not only peer reviewed by DMEF's Editorial Board, but are the most frequently accessed by academic readers at approximately 1,500 higher education institutions who license the Journal from Wiley.

16. In comparison, DMEF's Editorial Board published a Best Of issue of the Journal in 1997. At the time, DMEF's Editors "thought it would be fitting and appropriate – not to mention fun – to publish a retrospective of the ten 'best' articles that have appeared in the Journal over the past ten years." A copy of the Letter from the Editors for that issue is attached as Exhibit 2. The Editors chose ten articles to include in the 1997 "Best Of" issue using the less formal method of polling their Editorial Board and choosing "the ten articles that received the most votes". Exhibit 2.

17. Wiley has a vested interest in preserving the quality of the Journal on an ongoing basis. Pursuant to the Agreement, Wiley is permitted to continue publication of the Journal after expiration of the one-year transition period on December 31, 2008, albeit under a different title. Further, Wiley will retain ownership of the subscriber list for the Journal after December 31, 2008, a valuable asset which would be damaged by any decline in the quality of the Journal or delays in publication of Journal issues.

18. Last, Wiley is eminently qualified to select and vet content for the Journal. Wiley is one of the leading journal publishers in the United States and Europe. With its acquisition of Blackwell Publishing in 2007, Wiley currently publishes well over

1,000 journals and newsletters in a number of areas, including Business and Psychology, Education, Medicine and Healthcare, Chemistry, and Engineering. Wiley's Journals program enjoys a variety of publishing agreements with numerous professional societies and organizations. These organizations represent some of the leading voices in their fields.

19. Further, Wiley, in compliance with the Agreement, will disassociate plaintiff from the Journal by including the disclaimer depicted in Exhibit 3 hereto on the cover of all issues of the Journal published in 2008 and Wiley's newly titled journal for an additional year thereafter.

20. If Wiley is enjoined from publishing the upcoming issue of the Journal of Interactive Marketing, Wiley will suffer substantial hardships including:

- (i) a loss of up to \$120,000 in prepaid subscriber revenues;
- (ii) a loss in subscriber renewals on an indefinitely ongoing basis resulting in lost revenues which cannot be quantified;
- (iii) damage to Wiley's reputation as a reliable provider of quality content in a timely manner with individual and institutional subscribers; and
- (iv) damage to Wiley's reputation as a reliable publisher with potential society and academic partners.

21. As of the latest monthly report (January 2008), the Journal has approximately 322 institutional licenses which provide electronic and print access to approximately 1500 university and libraries. In addition, the Journal has approximately 105 print-only institutional subscribers and 22 print only individual subscribers.

22. If Wiley is required to accept content from DMEF for the upcoming issue, publication of the next issue of the Journal will be delayed by at least

three months from the time the new content is submitted to Wiley, which delay will result in the same hardships set forth above.

23. It should be noted that delayed publication also may result in damage to plaintiff's trademark whereas timely publication of the Winter/Spring 2008 issue of the Journal will protect it.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 20, 2008, in San Francisco, CA

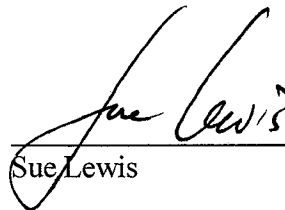

Sue Lewis

EXHIBIT 1

JK *KAM*
 DRAFT AGREEMENT BETWEEN
 JOHN WILEY & SONS, INC.

and
 DIRECT MARKETING EDUCATIONAL FOUNDATION

This Agreement made and entered into this 5 day of August 1988 by and between John Wiley & Sons, Inc. (hereinafter called Wiley) and the Direct Marketing Educational Foundation (hereinafter called DMEF) with respect to publication of an existing journal entitled the JOURNAL OF DIRECT MARKETING (hereinafter called the Journal) now published by DMEF.

This Agreement is entered into for the publication and distribution of the official Journal of DMEF by Wiley in conjunction with DMEF under the following terms and conditions:

1. OWNERSHIP. DMEF is the owner of the tradename and trademarks in the Journal and shall register same. DMEF licenses Wiley for the term of the agreement (and any extensions thereof) for exclusive use of the tradename and trademark and Wiley will take proper precautions to preserve registration. Ownership of the subscriber lists and back volume inventory for the Journal will be transferred from the DMEF to Wiley who will publish the Journal under license as the sole official journal of the DMEF.
2. FIRST WILEY ISSUE. First issue published by Wiley will be Volume 2(2). Volume 2(3) and 2(4) will be published as close as possible to September and December 1988, respectively.
3. SCHEDULE. During each calendar year starting with 1989, Wiley will publish one volume of the Journal in minimum 64-page quarterly issues (cover dates will be March, June, September, December) in a 8 1/4 x 11 trim size in an agreed-upon format at least equivalent in editorial content, to the 64-page issue of the current Journal.

In the twelve-month period January to December 1988, and in each consecutive twelve-month period thereafter during the life of this contract, DMEF agrees to furnish or cause to be furnished to Wiley on a quarterly basis manuscripts sufficient to publish one volume of the Journal consisting of not fewer than 256 printed pages in a 8 1/4 x 11 trim size and format and Wiley agrees to publish same in quarterly issues, each issue consisting of scholarly, peer-reviewed articles and selected departments and features. Wiley shall have final decision as to design and format.

4. EDITOR. The DMEF will appoint the Editor with the concurrence of Wiley and provide all necessary support for the editorial office. ~~Members of editorial board will be selected by the Editor.~~ Journal will continue to publish

scholarly, professional, peer-reviewed articles, features and departments on direct marketing. Responsibility for the solicitation of manuscripts, editorial selection, and approval of copy rests with the Editor. General editorial policy will be set by the DMEF with the concurrence of Wiley.

DMEF has appointed Don Schultz as Editor and Wiley concurs with such appointment. DMEF shall have the right, after consultation with Wiley, to terminate an appointee as Editor and to appoint a successor editor upon the termination of an editor's appointment or an editor's resignation.

The Editor of the Journal will be responsible for all editorial functions of the Journal receiving such guidance from DMEF as he and DMEF shall agree. The Editor shall be required to sign a three-year Editor's agreement satisfactory to both Wiley and DMEF, in substantially the form attached as Attachment A.

The Editor will evaluate submitted manuscripts, obtain peer reviews, select suitable contributions, and arrange for each contributing author to transfer his or her copyright to Wiley in the form of a contributor's agreement as required by Wiley. Where necessary, the Editor will make or request the contributor to make such revisions in the manuscript as the Editor deems necessary. The Editor will submit to Wiley the final manuscripts as available, including any material to be written by the Editor, in accord with a schedule (See Attachment B) and in a format to be established by Wiley. The final manuscripts will conform to requirements established by Wiley and will be accompanied by all appropriate camera-ready illustrative material and necessary artwork, with written permission as required. The Editor will give serious and appropriate consideration to advice from Wiley on matters in which the Editor has sole responsibility.

Wiley shall absorb authors' alterations up to ten percent (10%) of the cost of composition and the excess costs, if any, may be charged to DMEF subject to reimbursement from the authors. Authors' alterations are defined as deletions, additions, and other revisions made in proofs by the author other than for printer's errors. Editor's alterations, similarly defined and in excess of ten percent (10%), shall be charged to DMEF, except that DMEF shall not be charged for the Editor's corrections of any changes made by Wiley in final technical copyediting which the Editor finds to be mistaken or objectionable.

5. **OFFICIAL DESIGNATION.** For the term of this Agreement, the Journal will remain the sole official journal of the DMEF and Wiley will display prominently on the masthead and cover, in language approved by the DMEF, that the Journal is published by Wiley in conjunction with the DMEF. Names of appropriate officers of the DMEF will appear on the masthead.

DMEF will list or announce the Journal as its official journal on its stationery and other external communications. During the term of this Agreement DMEF will not sponsor nor collaborate in the publication of a competing journal.

6. **PRICES.** Wiley shall be responsible for the non-editorial affairs of the Journal, having sole responsibility for copyediting, production, pricing, sale, and distribution of the Journal, for the number of copies of each issue to be printed and reprinted, and for all costs with respect to such responsibilities. Wiley will give serious and appropriate consideration to advice from the Editor on all matters in which Wiley has sole responsibility.

Wiley will set prices for the Journal for the term of the Agreement: institutional (libraries, academic and corporate); non-member individuals; and member individuals (people who work at or for DMEF/DMA member companies or universities). The 1988 and 1989, Volume 2 and 3 prices will be as follows: institutions, \$120; non-member individuals, \$70; member individuals, \$50. In the future, the member individual price will not be greater than fifty percent (50%) of institutional price. The non-member individual price will always be greater than the member individual price. Wiley will also set prices for back issues, reprints, microfilms, advertising and permissions.

7. **MARKETING.** The DMEF will assist Wiley in marketing the Journal by including Wiley-produced promotion in appropriate DMEF member mailings and displaying promotional material at its conferences, workshops and seminars. The DMEF will make best efforts to obtain assurances for similar marketing cooperation from the DMA. DMEF will provide input and advice to Wiley on marketing strategy and tactics to which Wiley will give serious and appropriate consideration. Wiley will use DMEF non-subscriber lists to promote the Journal only. Wiley may use subscription list of Journal to promote other Wiley products. The DMEF will have without

charge, up to four (4) non-editorial pages in each issue, as well as the use of the Journal's subscription list without rental charge to promote DMEF/DMA activities. Subscriber list will be made available by Wiley through Wiley list broker and all customary procedures, including list remaining at mail house at all times, will apply.

Broad policies with respect to paid advertisements for inclusion in the Journal shall be developed by Wiley, in consultation with DMEF and the Editor, and shall be subject to their approval, not to be unreasonably withheld. Obtaining paid advertisements, if any, and the administration of the policy approved, shall be the responsibility of Wiley, which may, at its discretion, appoint sales representatives for the purpose.

8. **BACKVOLUMES.** Within thirty (30) days of signing this Agreement, DMEF will turn over to Wiley its backvolume inventory (See Attachment C) of Volumes 1(1-4) and 2(1)--at least 50 copies of each Volume 1 issue and 1,000 copies of 2(1)--as well as all non-editorial files and material and Copyright Transfer forms from each author in Volume 1(1-4) and 2(1). For those authors who have not to date provided a Copyright Transfer for their contribution published in Volumes 1(1-4) or Volume 2(1) that is satisfactory to Wiley, DMEF agrees to carry out in conjunction with the aforementioned Dr. Schultz, a thorough and prompt good faith effort to obtain said Copyright Transfer on a form acceptable to Wiley (see Section 9 below). Agreement will entitle Wiley to reprint or sell these back issues and to grant permission to third parties to use material from these issues.

9. **COPYRIGHT.** The Journal will be copyrighted in the name of DMEF and Wiley, and Wiley will cause to be included in each issue of the Journal that it publishes, a copyright notice in the names of DMEF and Wiley sufficient in form and placement to satisfy the requirements of the United States Copyright Law and to secure the protection of the Universal Copyright Convention. Copyright shall be promptly registered by Wiley in the United States Copyright office in the joint name and at Wiley's own expense.

The DMEF hereby grants and transfers to Wiley for the term of this Agreement the full and exclusive rights, throughout the world, to publish, republish and distribute the Journal by itself and with others, and to prepare, publish and distribute derivative works based thereon, in English and in other languages, in all media of expression now known or later developed, and to license or permit others to do so.

Wiley will furnish to the DMEF and to the Editor, copies of the form of Copyright Transfer (Exhibit D) which shall be signed by each author whose materials shall appear in the Journal, and shall transfer all rights in the copyright to Wiley and DMEF jointly. The Editor shall have the responsibility to obtain such Copyright Transfer and deliver same to Wiley prior to publication of such material in the Journal.

10. REVENUES DURING TRANSITION. All journal revenue received by the DMEF or the Journal for Volume 1, 2, or 3 prior to April 1, 1988, will be retained by the DMEF. Subscription, advertising, and other income and receipts pertaining to the Journal received by the Journal or DMEF on or after April 1, 1988, will be turned over to Wiley within 30 days after signing and periodically thereafter.

The DMEF shall have the right to audit, at its own expense and during reasonable business hours at the offices of Wiley, no more than once per fiscal year, the books and records of Wiley as they pertain directly to this contract.

11. SUBSCRIBER LISTS. Upon signing the DMEF will turn over to Wiley the names and addresses of all paid subscribers to the Journal in its possession, currently estimated at ~900 subscribers. Wiley will pay DMEF \$5 for each paid DMEF subscriber, (see Attachment E) as well as \$5 for each unduplicated Journal of Direct Marketing Research (Silverman) subscriber (see Attachment F) now in possession of DMEF--numbers currently estimated to be 700 and 200, respectively. Wiley will fulfill this paid subscription liability on issue-for-issue basis.

Moreover, DMEF has in its possession a list of ~140 "bill-me" (non-paid) subscribers who have requested and received issues of the Journal and for which DMEF is owed payment (See Attachment G). DMEF will endeavor immediately via a telemarketing campaign with letter follow-up to obtain payment from these subscribers. Cost will be borne directly by DMEF; revenue will go to Wiley. These 140 "bill-me" subscribers will receive Volume 2(1) at the expense of DMEF. DMEF warrants the accuracy of Attachments E, F and G here and in Section 20 below, as of June 1, 1988.

12. **ROYALTY.** During the term of this Agreement, Wiley will for each volume that Wiley publishes in its entirety, with the exception of Volume 2, pay the DMEF a ten percent (10%) royalty on (a) net subscription revenue (subscription sales after commission and agent discounts); (b) net advertising sales (advertising sales after sales commission and agency discounts); (c) net revenue from books of collected articles from the Journal; (d) rental of subscriber list.

Royalty payments will be made in April of the year following the completion of each Volume. Royalty for Volumes 2, 3, 4, 5, (1988, 89, 90, 91) will be guaranteed at a minimum level of eight (8), thirteen (13), sixteen (16), and eighteen (18) thousand dollars, respectively.

13. **BULK COPIES.** Wiley will provide the DMEF 100 free bulk copies of each issue, not to be resold. DMEF can buy up to an additional 150 bulk copies of upcoming issues at fifty percent (50%) off the lowest subscription price, provided order is placed in writing at least one week prior to "To Press" date of said issue. Bulk copies are for promotion of DMEF activities and the Journal and will therefore not be provided on a regular basis to the same individual or organization in lieu of a subscription. All bulk copies will contain subscription card, order form and promotional letter.

Wiley will provide each editorial board member a complimentary subscription up to a maximum of forty (40).

14. **TERM OF AGREEMENT.** Effective date of agreement will be April 1, 1988, and initial term will end December 31, 1997. Agreement will automatically renew for five (5) year terms thereafter, unless either party gives written notice of non-renewal at least ten (10) months prior to expiration of the term.

15. **NON-RENEWAL BY WILEY.** If after initial term or subsequent terms Wiley chooses to not renew the agreement, it may continue to publish the Journal providing that it (a) changes the title within one (1) year of the date of termination specified in the Notice of Termination sent by Wiley to the DMEF and (b) pays the DMEF royalties as described in Section 12 for each of the two (2) years following non-renewal, and (c) carries a notification in each issue for two (2) years after termination that the Journal is no longer the official journal of the DMEF. Backvolume inventory and subscriber list remain property of Wiley.

16. NON-RENEWAL BY DMEF. If after the initial term or subsequent terms the DMEF chooses not to renew the agreement Wiley may continue to publish the Journal providing that it (a) changes the title within one (1) year of the date of termination specified in the Notice of Termination sent by the DMEF to Wiley and (b) carries a notification in each issue for two (2) years after termination that the Journal is no longer the official journal of the DMEF. Backvolume inventory and subscriber list remain property of Wiley.

17. SALE OF SUBSCRIBER LIST. If during the term of this agreement Wiley desires to sell the subscriber list and backvolumes of the Journal and the right to publish the Journal under the present title, it shall inform the DMEF in writing and such sale shall be subject to the DMEF's approval, not to be unreasonably withheld.

a. If the DMEF agrees to such a sale, the purchaser shall assume all rights and obligations of the agreement, including the right to publish under the present title, and Wiley shall divide the purchase price as follows: 90% to Wiley, 10% to the DMEF. In this event, copyright in issues published during term(s) of the agreement will reside jointly with DMEF and the purchaser.

b. If the DMEF wishes to withhold its approval of sale, and does not choose to purchase the subscriber list and inventory under the terms of Paragraph 18 below, then Wiley may proceed with a sale to a third party purchaser. Any such sale will be made with the requirement that purchaser (a) changes the name of the Journal within one (1) year of the date of such sale and (b) carries a notification for two (2) years of the date of such sale in each issue that the Journal is no longer the official journal of the DMEF and publishes without DMEF affiliation. In this event, copyright in issues published during term(s) of the agreement will reside jointly with DMEF and the purchaser.

c. Wiley shall inform the DMEF within 30 days of the name(s) of potential purchasers who have delivered in writing to Wiley an acceptable offer to buy said list and inventory and the right to publish. Wiley shall determine at its sole discretion if offer is "acceptable". DMEF shall have the right (but not the

obligation) to purchase said list and backvolume inventory by matching this offer within 30 days.

18. **WILEY CEASES PUBLICATION.** At any time during the term of this Agreement or extensions thereof Wiley shall have the right at its sole discretion to cease publication of the Journal and sell back volumes, the subscriber list and the right to publish the Journal. If Wiley chooses to cease publication, it will so inform the DMEF within thirty (30) days of such a decision and the DMEF shall have the right (but not the obligation) to purchase the subscriber list and backvolumes of the Journal at a price equivalent to \$5 a subscriber and \$1 per copy of backvolume inventory starting with Volume 2(2) -- adjusted to account for cumulative monthly increase in CPI from April 1, 1988. Publication will be deemed to have been ceased if, beginning with Volume 3, Wiley allows an interval of greater than six (6) months to elapse between publication of consecutive issues -- provided this lapse in publication is not the result of a lack of manuscripts delivered to Wiley from the editorial office.
19. **TAKEOVER OF WILEY.** Wiley will be able to assign this Agreement only with the prior written approval of the DMEF, such approval not to be unreasonably withheld, except to a corporation which by merger or purchase succeeds to substantially all of the business and assets of Wiley. In case of such a "takeover" the DMEF shall have two (2) months to notify Wiley in writing that it wants to terminate sponsorship of the Journal. In this case, the DMEF shall have the right to terminate the agreement on six (6) month's written notice and Wiley (or its successors or assigns) may continue to publish the Journal providing that it (a) changes the title within one (1) year of the effective date of termination and (b) carries a notification in each issue for two (2) years after termination that the Journal is no longer the official journal of the DMEF.
20. **WARRANTIES.** DMEF warrants that the material to be published in the Journal will contain no libelous or unlawful statements, and will not infringe upon or violate any copyright or trademark, or violate the privacy of any person. Moreover, DMEF hereby warrants in a like manner the material published in Volume 1(1-4) and Volume 2(1).

DMEF warrants that it has unrestricted ownership of the Journal and the right to enter into this agreement.

DMEF warrants that the number of subscribers in its possession and the number of issues they are owed is as represented in Attachments E, F, and G as of June 1, 1988.

DMEF holds Wiley harmless from any damages or costs it may suffer or incur, including attorneys' fees, arising out of a breach of these warranties. Wiley will have the right not to publish any manuscript which, in its reasonable judgement, violates the rights of another party, or any applicable governmental law or regulation.

21. PROVISIONS. The parties hereto will from time to time sign, execute and deliver all such assignments and other documents which are instruments of transfer and all such other documents or instruments, and will perform all such other acts or things, as may be reasonably necessary to carry out the provisions of this Agreement.
22. NOTICE. Any notice to be given hereunder shall be in writing and shall be mailed, certified or registered, return receipt requested, addressed to the other party as follows:

TO WILEY:

Myer Kutz
Vice President
John Wiley & Sons, Inc.
605 Third Avenue, 10th Floor
New York, New York 10158

TO DMEF:

Richard L. Montesi
President
Direct Marketing Educational Foundation
6 East 43rd Street
New York, New York 10017

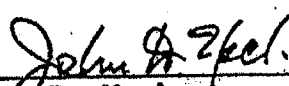
23. The failure of either party to claim a breach of any of the provisions of this Agreement shall not be, or be held to be, a waiver of any subsequent breach.

24. This Agreement shall in all respects be interpreted, construed, and governed as if wholly entered into and executed within the State of New York. This Agreement constitutes the entire understanding between the parties and supercedes any prior agreements, written or otherwise, with respect to the matter. This Agreement may not be modified or amended, nor may any of its terms or provisions be waived, except by a written instrument executed by the party affected by such modification, amendment, or waiver. It shall inure to the benefits of and be binding upon the parties hereto and their respective successors, heirs, and assigns.

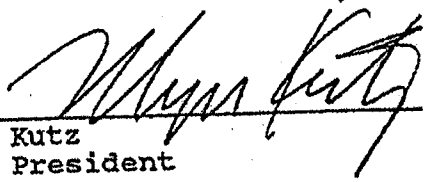
In witness whereof the parties have duly executed this Agreement on the day and year first written above:

Direct Marketing
Educational Foundation


John Wiley & Sons, Inc.



John D. Yeck
Chairman, DMEF



Myer Kutz
Vice President



Richard L. Montesi
President, DMEF

Amendment to the Agreement of August 5, 1988, by and between John Wiley & Sons, Inc. and the Direct Marketing Educational Foundation with respect to publication of an existing journal entitled the Journal of Direct Marketing.

I. The parties agree that, in addition to the current provisions of item 12 of the Agreement concerning royalty payments, royalty for volumes 6 to 10, inclusive, will be guaranteed at a minimum level of eighteen thousand dollars (\$18,000). Royalty for volumes 11 to 16, inclusive, shall be guaranteed at a minimum level of twenty thousand dollars (\$20,000).

II. With reference to item 14 concerning the term of the Agreement, the parties agree that the initial term of the Agreement will end December 31, 2007. The agreement will automatically renew for ten (10) year terms thereafter, unless either party gives written notice of non-renewal at least ten (10) months prior to the expiration of the term.

Direct Marketing
Educational Foundation

Richard L. Montesi

by Richard L. Montesi Date
President, DMEF 11-2-92

John Wiley & Sons, Inc.

Thomas M. Conter

by Thomas Conter Date 9/23/92
Vice President
Professional and
Subscription Division

EXHIBIT 2

EDITORIAL

John Deighton

Editor and Associate Professor, Harvard Business School

Rashi GlazerEditor and Associate Professor, Haas School of Business
University of California, Berkeley

From the Editors



JOHN DEIGHTON



RASHI GLAZER

With this issue, the *Journal of Direct Marketing* passes into history—only to be resurrected in our next issue as the new *Journal of Interactive Marketing*. In recent editorials, both we and the outgoing Editor, Don Schultz have shared our thoughts about the challenges and opportunities that the *Journal*—and more generally, the field of direct marketing—faces in the future as we move into the age of interactivity. For this final issue of *JDM*, we thought it would be fitting and appropriate—not to mention fun—to publish a retrospective or compendium of the ten “best” articles that have appeared in the *Journal* over the past ten years.

As with all “greatest hits” lists, the determi-

nation of what is “best” is always controversial and the methodology used open to question. We polled the Editorial Board and simply chose the ten articles that received the most votes. No doubt this imperfect process has resulted in some sins of omission and commission, so that it is probably more accurate to say that the articles in this issue are *representative* of the best in the *Journal* over the past ten years. Nevertheless, to those authors whose papers have been selected, we say, “Congratulations! And thank you for your contributions to the *Journal* and the field—and for helping to set the standards by which future articles will be evaluated.”

Beyond this, however, the re-publication of a series of representative best articles is more than just an occasion for nostalgia or self-congratulation; for the papers selected give us the opportunity to observe where we have been and to reflect on how much the field of direct marketing has evolved—substantively and methodologically—during this period. While the individual articles speak for themselves with regard to their specific and unique contributions, when they are taken as a group, three points emerge which appear to us to be particularly noteworthy of comment:

1. From a methodological perspective, there has been an increasing appreciation of both the potential and need for applying a wide range of more sophisticated analytical techniques to the available data. Indeed, because the data associated with direct marketing are inherently so rich (compared to many other market-

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ing-related activities), the field is in its essence a natural testing ground for new methodology—above and beyond any substantive insights that may result. With this opportunity, of course, comes an important set of challenges and responsibilities. Academics and practitioners alike must be willing to invest their intellectual capital in keeping up with the new developments in analytical theory and technique (not to mention the advances in hardware and software technology used in their implementation). At the same time, everyone concerned—including *Journal* editors and reviewers—must adhere to professional standards and insist on the highest levels of rigor as new theories and techniques are applied in empirical settings.

2. There has been a growing appreciation that direct marketing methods are more than a collection of tactical tools or techniques, and that what is required is the creation of a strategic perspective. As a starting point, this has to date resulted in a focus on integrating direct marketing activities with other more traditional, marketing-mix decisions. But the notion of direct marketing strategy goes well beyond this to the recognition that the philosophy underlying direct marketing—treating each customer as an individual and not part of a mass—represents a fundamental shift in the marketing value proposition and has the potential to redefine the nature of competition in every industry to which it is applied. Again,

along with the opportunity offered by this emerging perspective comes a challenge: direct marketers must learn not only the principles of strategy (including the financial issues associated with product or brand-level profit and loss accountability), but how to go beyond the tactical level of organizational decision-making and contribute to the design and execution of marketing strategies within their organizations.

3. Perhaps the most striking thing that comes across when reading our selection of best articles (as well as many others published during the *Journal's* ten-year lifespan) is how many of the concepts, techniques, and metrics being discussed are now an accepted—indeed, integral—part of the “traditional” marketing vocabulary. The fact of the matter is, the distinction between “marketing” and “direct marketing” looks increasingly obsolete and is the relic of an older era—even if that era was only 10 years ago, when this *Journal* was founded! No single institution can claim even the tiniest credit for the successful integration of what were initially “fringe” ideas and practices into the central core of the marketing discipline. Nevertheless, the mainstreaming of “direct marketing” stands as vivid proof of how far this *Journal*—and the field it serves—have come in these 10 years. Of course, the mystery (if there is one) is why the perception of the distinction persists; overcoming the perception remains the great challenge—for the field as well as the *Journal*—in the years ahead.

EXHIBIT 3

